

MONTHLY UPDATE

CIRCULARS/NOTIFICATIONS ISSUED BY RBI, SEBI AND MCA

30th AUGUST 2016

I. RBI

S.NO	DATE	CIRCULAR/ NOTIFICATION NO.	PARTICULARS	SHORT SUMMARY	EFFECTIVE DATE	ATTACHMENT/ LINK
1.	04.08.2016	RBI/2016-17/33 <i>Reference to previous Circular</i> Circular No.113/2003 dated 26.06.2003	Modification in procedure of dishonour of Cheques.	RBI has now allowed the banks to determine their response in case of dishonour of cheques of the account holders. Banks should formulate a policy approved by the Board or its Committee taking into consideration the need to prevent misuse of the cheque drawing facility and avoid penalising customers for unintended dishonour of cheques.	04.08.2016	RBI/2016-17/33
2.	04.08.2016	RBI/2016-17/34	Implementation of Indian Accounting Standards (Ind AS) on AIFIs.	RBI has advised All-India Term Lending and Refinancing Institutions (AIFIs) to follow the Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 for Accounting period beginning from April 1, 2018 onwards.	04.08.2016	RBI/2016-17/34

3.	25.08.2016	RBI/2016-17/48	Repo / Reverse repo in Corporate Debt Securities	RBI has permitted brokers registered with SEBI and authorized as market makers in corporate bond market to undertake repo / reverse repo contracts in corporate debt securities subject to Repo in Corporate Debt Securities (Amendment) Directions 2016.	25.08.2016	RBI/2016-17/48
4.	25.08.2016	RBI/2016-17/49	Market Repo Transactions in Government Securities Market	RBI has relaxed the eligibility conditions and other terms of participation of gilt account holders in the repo market.	25.08.2016	RBI/2016-17/49

IMPORTANT MASTER DIRECTIONS ISSUED BY RBI ON 25th AUGUST 2016

S.NO.	MASTER DIRECTIONS	DATE	ATTACHMENT/LINK
1.	Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016	25.08.2016	RBI/DNBR/2016-17/38
2.	Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016	25.08.2016	RBI/DNBR/2016-17/39
3.	Master Direction - Exemptions from the provisions of RBI Act, 1934	25.08.2016	RBI/DNBR/2016-17/40
4.	Master Direction - Miscellaneous Non-Banking Companies (Reserve Bank) Directions, 2016	25.08.2016	RBI/DNBR/2016-17/41
5.	Master Direction - Standalone Primary Dealers (Reserve Bank) Directions, 2016	25.08.2016	RBI/DNBR/2016-17/42
6.	Master Direction - Residuary Non-Banking Companies (Reserve Bank) Directions, 2016	25.08.2016	RBI/DNBR/2016-17/43

II. SEBI

S.NO.	DATE	CIRCULAR/ NOTIFICATION NO.	PARTICULARS	SHORT SUMMARY	EFFECTIVE DATE	ATTACHMENT / LINK
1.	10.08.2016	SEBI/HO/IMD/DF2/CIR/P/2016/68	Circular on Mutual Funds and Asset Management Companies (AMCs)	SEBI has made the following changes in case of Mutual Funds and AMCs; -Additional exposure limits provided for HFCs in financial services has been increased from 5% to 10%. -Now AMCs are required to obtain annual certification on voting reports from "scrutinizer" in terms of Rule 20 (3) (ix) of Companies (Management and Administration) Rules, 2014 in place of Auditor's certification.	10.08.2016	SEBI/HO/IMD/DF2/CIR/P/2016/68
2.	10.08.2016	CIR/IMD/DF1/69/2016 <i>Reference to previous circular CIR/IMD/DF1/9/2015 dated 27.11.2015</i>	Revised Formats for Financial Results and Implementation of Ind AS by listed Entities.	SEBI has modified the formats for disclosure and publication of financial results and also issued clarifications with regard to implementation of IND AS by listed entities which have listed their debt securities and/or non cumulative redeemable preference shares	10.08.2016	CIR/IMD/DF1/69/2016
3.	11.08.2016	SEBI/HO/CDMRD/DEICE/CIR/P/2016/70	Annual System Audit of Stock Brokers / Trading Members of National Commodity Derivatives Exchanges	SEBI has exempted Type I Brokers (i.e. those using NEAT/BOLT/ Exchange provided direct Terminals) from stock broker system audit from financial year 2016-17 onwards. The same also applies to Type I brokers /	11.08.2016	SEBI/HO/CDMRD/DEICE/CIR/P/2016/70

				Trading members of the National Commodity Derivatives Exchanges.		
				Development of NEAT/ BOLT/ Exchange provided terminals will be included in the scope of Annual System Audit of the Exchanges.		
4.	19.08.2016	SEBI/HO/CDM RD/DMP/CIR/ P/2016/73 <i>Reference to previous circular</i> SEBI/HO/CDM RD/ DMP/CIR/P/2016/43 dated 29.03. 2016	Clarifications on modification of Client Codes post Execution of Trades on National and Regional Commodity Derivatives Exchanges	SEBI has issued clarifications with regard to genuine errors and error account in case of modification of client codes. Shifting of trades to the 'Error account' of broker would not be treated as modification of client code, provided that trades in 'Error account' are subsequently liquidated in the market and not shifted to some other code	19.08.2016	SEBI/HO/CDM RD/DM P/CIR/ P/2016 /73

III. COMPANY LAW

S.NO	DATE	CIRCULAR/ NOTIFICATION NO.	PARTICULARS	SHORT SUMMARY	EFFECTIVE DATE	ATTACHMENT/ LINK
1.	12.08.2016	Notification Dated 12.08.2016	Companies (Share Capital and Debentures) Fourth Amendment Rules, 2016.	Amendment to Rule 18 of Companies (Share Capital and Debentures) Rules, 2014 that such rule shall not be applicable to rupee denominated bonds issued exclusively to overseas investors in terms of A.P. (DIR Series) Circular No. 17 dated September 29, 2015 of RBI.	12.08.2016	Notification Dated 12.08.2016

Disclaimer:

This is not a complete listing of all circulars/notifications issued during the month.

Instead it is only a listing of some of the circulars/notifications that we considered important.